

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCS for HB 1517 Motor Vehicles
SPONSOR(S): Tourism, Infrastructure & Energy Subcommittee
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Tourism, Infrastructure & Energy Subcommittee		Johnson	Keating

SUMMARY ANALYSIS

Under Florida law, an application for a certificate of title on a motor vehicle or mobile home must be filed with the Department of Highway Safety and Motor Vehicles (DHSMV) and be accompanied by the appropriate fees. A certificate of title is the proof of ownership of a vehicle, mobile home, or vessel in Florida. After the purchase of a motor vehicle or a mobile home from a licensed dealer, the dealer has 30 days to apply for a tag and title for the purchaser. DHSMV may deny, suspend, or revoke the license of a dealer who shows a pattern of failing to apply for the certificate within the prescribed period of time.

Florida law also authorizes DHSMV to issue temporary registration tags for motor vehicles. Unless otherwise provided in law, a temporary tag is valid for 30 days, and no more than two temporary tags may be issued to the same person for the same vehicle. The penalty for an expired tag begins as a noncriminal traffic infraction and gradually becomes a second-degree misdemeanor.

The bill increases the length of time in which a motor vehicle dealer or mobile home dealer must apply to DHSMV for a certificate of title for a motor vehicle or mobile home to 60 days after the delivery of the motor vehicle or consummation of the sale of the motor home to the purchaser.

The bill also increases the length of time that most temporary tags are valid to 60 days.

The bill does not appear to impact state or local government revenues or expenditures.

The bill has an effective date of July 1, 2022.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Certificates of Title

A certificate of title is the proof of ownership of a vehicle, mobile home, or vessel. Most vehicles, mobile homes, and vessels are required to be titled, except for mopeds, motorized bicycles, and trailers weighing less than 2,000 pounds.¹ An application for a certificate of title must be filed with the Department of Highway Safety and Motor Vehicles (DHSMV) and be accompanied by the appropriate fee.²

Under Florida law, after the purchase of a motor vehicle or a mobile home from a licensed dealer, the dealer has 30 days to apply for a tag and title on behalf of the purchaser.³

If a motor vehicle dealer fails to do so within the prescribed 30 days, DHSMV has the authority to deny, suspend, or revoke the dealer's license, if the failure occurs with sufficient frequency to establish a pattern of wrongdoing.⁴

DHSMV routinely monitors dealers that fail to apply for a title in 30 days as required by law. It focuses its resources only on those dealers with multiple title applications that are filed more than 75 days after the sale. DHSMV contacts the dealer to ask for an explanation and seeks compliance. If the explanation is not satisfactory, a notice of a failed records inspection is provided to the dealer. DHSMV then conducts a follow up inspection approximately 60 days later. If the problem persists, DHSMV can seek an administrative fine against the dealer. The fine is typically \$250 to \$500 per violation. However, DHSMV typically only fines dealers for applications that are filed more than 90 days from the sale date.⁵

In recent years, the number of dealer transactions that were not filed by the 30-day deadline were:⁶

Fiscal Year	Number of Transactions
2018-2019	373,515
2019-2020	337,355
2020-2021	493,141

Temporary Tags

Florida law authorizes DHSMV to design, issue, and regulate the use of temporary tags for the following purposes:

- Where a dealer license plate may not be lawfully used.
- For a casual or private sale.
- For certified companies who transport motor vehicles, mobile homes, or recreational vehicles from one place to another.
- For financial institutions for the purpose of demonstrating repossessions for sale.
- Where a motor vehicle is sold to a resident of another state.

¹ Department of Highway Safety and Motor Vehicles, *General Information*, <https://www.flhsmv.gov/motor-vehicles-tags-titles/liens-and-titles/> (last visited Jan. 20, 2022).

² S. 319.23(1), F.S.

³ S. 319.23(6)(a), F.S.

⁴ S. 320.27(9)(b)6., F.S.

⁵ E-mail from Kevin Jacobs, Legislative Affairs Director, Department of Highway Safety and Motor Vehicles, RE: HB 1517 Questions (Jan. 24, 2022).

⁶ *Id.*

- Where a motor vehicle is required to be weighed or emission tested prior to registration or have a vehicle identification number verified.
- Where an out-of-state resident, subject to registration in this state, must secure ownership documentation from his or her home state.
- For a rental car company on vehicles offered for lease.
- In the resolution of a consumer complaint.
- While a personalized prestige or specialty license plate is being manufactured.
- In any case where a permanent license plate cannot legally be issued to an applicant.
- For use by licensed dealers to transport motor vehicles and recreational vehicles from the dealer's licensed location to and from an off-premise sale.⁷

Except otherwise specified in statute, a temporary tag is valid for 30 days, and no more than two temporary tags may be issued to the same person for the same vehicle.⁸ For a registration that has been expired for less than six months, the violation is a noncriminal traffic infraction punishable as a nonmoving violation. The penalty moves to a second-degree misdemeanor for a second or subsequent offense of a motor vehicle registration that has been expired for greater than six months.⁹

Effect of the Bill

The bill increases the length of time in which a motor vehicle dealer or mobile home dealer must apply to DHSMV for a certificate of title for a motor vehicle or mobile home to 60 days after the delivery of the motor vehicle or consummation of the sale of the motor home to the purchaser.

The bill also increases the length of time that most temporary tags are valid to 60 days.

The bill has an effective date of July 1, 2022.

B. SECTION DIRECTORY:

Section 1 Amends s. 319.23, F.S., relating to application for and issuance of, certificate of title.

Section 2 Amends s. 320.21, F.S., relating to temporary tags.

Section 3 Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

⁷ S. 320.131(1), F.S.

⁸ S. 320.131(2), F.S.

⁹ Ss. 320.07(3)(a)-(c), F.S.

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to impact county or municipal governments.

2. Other:

Not applicable.

B. RULE-MAKING AUTHORITY:

This bill does not require or authorize rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

Not applicable.